

Catawba County Board of Commissioners  
Regular Session, May 18, 2009, 7:00 p.m.

**Appointments**

Economic Development Corporation	360	05/18/09
Town of Maiden Planning Board	360	05/18/09
Maiden Board of Adjustment	360	05/18/09

**Board of Commissioners**

Rescheduling Budget Hearings and Adoption	362	05/18/09
Cancellation of Subcommittee Meeting and Regular Board of Commissioners Meeting	363	05/18/09

**Emergency Services**

Design Contract for Expansion/Renovation of Animal Shelter	360	05/18/09
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**Industrial Revenue Bonds**

Public Hearing for VonDrehle Corp	359	05/18/09
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**Proclamations**

4-H Centennial	359	05/18/09
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**Public Hearings**

Industrial Revenue Bonds for VonDrehle Corp.	359	05/18/09
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**Resolution**

Industrial Revenue Bonds for VonDrehle Corp.	359	05/18/09
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**Utilities and Engineering**

Agreement with Brookford to Provide Inspection Services	361	05/18/09
American Recovery and Reinvestment Act of 2009 (ARRA) Grant Funds	362	05/18/09

The Catawba County Board of Commissioners met in regular session on Monday, May 18, 2009 at 7:00 p.m. in the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Lynn M. Lail and Commissioners Dan A. Hunsucker, Glenn E. Barger and Barbara G. Beatty.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Lee Worsley, Assistant County Manager Dewey Harris, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris.

1. Chair Katherine W. Barnes called the meeting to order at 7:05 p.m.
2. Vice-Chair Lynn M. Lail led the Pledge of Allegiance to the Flag.
3. At Chair Barnes' request, Pastor Vincent Ross offered the invocation.
4. Vice Chair Lail made a motion to approve the minutes of the Regular Meeting and Closed Sessions of May 4, 2009. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes welcomed Bandys High School students, 4-H students and Catawba County NAACP President Jerry McCombs.
6. Public Comments for Items not on the Agenda: None.

7. Presentations:  
Commissioner Dan Hunsucker presented a proclamation to 4-H Extension Agent Donna Mull and 4-H students recognizing the centennial of the North Carolina 4-H program and commending its 100 years of service to the state by reaching more than one million boys and girls with educational and developmental programs that have contributed significantly to the quality of life for these young people and their families. Juniors and Seniors from the County's three school systems who are members of the Catawba County 4-H Council were present to receive the proclamation and present the Board members with pins commemorating the 4-H centennial.
8. Public Hearing:  
Catawba County Economic Development Corporation Existing Industry Coordinator Nathan Huret and Craig Keenan, Chief Financial Officer of VonDrehle Corporation came forward to request the Board hold a public hearing on a request by von Drehle Corporation for the issuance of \$4 million in Industrial Revenue Bonds (IRBs). As with all IRB projects, there is no financial obligation to Catawba County or the State of North Carolina. Bonds are sold on national capital markets to insurance companies, and bond and mutual funds. von Drehle's proposed expansion includes the purchase of a new high-speed, single wrap tissue line, adding to the corporation's capabilities to convert tissue products and serve industrial, commercial, medical and government markets. This new equipment will nearly double the production capacity of the corporation's Maiden facility. The corporation will add 15 new jobs, increasing employment at its Maiden facility from 67 to 82 over the next three years. The average wage will be \$14 an hour. This expansion will generate approximately \$21,505 in annual combined tax revenue for the Town of Maiden and Catawba County. Chair Barnes explained to the high school students present the process necessary for IRBs and the County's role in the process which was to hold a public hearing. Chair Barnes then opened the hearing and no one came forward to speak for or against the bond issuance. Commissioner Beatty made a motion to adopt the following resolution and the motion carried unanimously.

APPROVAL IN PRINCIPLE OF INDUSTRIAL PROJECT FOR VON DREHLE  
CORPORATION, AND THE FINANCING THEREOF WITH INDUSTRIAL  
DEVELOPMENT REVENUE BONDS IN THE PRINCIPAL AMOUNT OF UP TO  
\$4,000,000

WHEREAS, The Catawba County Industrial Facilities and Pollution Control Financing Authority (the "Authority") has agreed to assist in the financing under the North Carolina Industrial and Pollution Control Facilities Financing Act (the "Act") of an industrial project by von Drehle Corporation, a North Carolina corporation, or its related or affiliated entities (collectively, the "Company"), which plans to expand and equip an existing 220,000 square foot facility for the manufacture of a line of towels, tissues and dispensers (the "Project") located at 2245 W. Maiden Road, Maiden, North Carolina, and has indicated that agreement by the execution of an Inducement Agreement between the parties dated March 23, 2009; and

WHEREAS, under G.S. § 159C-7 each project must be approved by the Secretary of the Department of Commerce and, under Article 51B of Chapter 143 of the North Carolina General Statutes, the Federal Tax Reform Allocation Committee must allocate a sufficient amount of North Carolina's "private activity bond limit," as defined in Section 146 of the Internal Revenue Code of 1986, as amended (the "Code") to the financing; and

WHEREAS, the Act and the Rules and Procedures of the North Carolina Department of Commerce require that the governing body of a county approve in principle any project to be financed under the Act; and

WHEREAS, this Board of Commissioners today has held a public hearing with respect to the advisability of the Project and the issuance of bonds therefore, as evidenced by the Certificate and Summary of Public Hearing attached hereto as Exhibit A; and

WHEREAS, the Authority intends to issue its Industrial Development Revenue Bonds (von Drehle Corporation Project), Series 2009 (the "Bonds") in the principal amount of up to \$4,000,000 which either will be secured by a letter of credit issued by a United States bank;

WHEREAS, Section 147(f) of the Code requires that the Board of Commissioners approve the plan of financing for the bonds; and

WHEREAS, under Section 159C-4 of the Act the issuance of bonds under the Act must be approved by the governing body of the county in which the project to be financed under the Act is located;

NOW, THEREFORE, the Board of Commissioners of Catawba County, meeting in regular session at Newton, North Carolina, on May 18, 2009, does the following:

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR CATAWBA COUNTY:

The proposed "industrial project" consisting of the expansion and equipping of an existing 220,000 square foot facility for the manufacture of a line of towels, tissues and dispensers located on 33.68 acres of land at 2245 W. Maiden Road in the Town of Maiden, Catawba County, North Carolina and the issuance of bonds in an amount not to exceed \$4,000,000 therefor are hereby approved in principle.

The Board of Commissioners hereby requests the Federal Tax Reform Allocation Committee to allocate up to \$4,000,000 of North Carolina's 2009 "private activity bond limit," as defined above for the financing of the Project.

The Board of Commissioners hereby approves the plan of financing as required by Section 147(f) of the Code.

The issuance of the Bonds in the principal amount of \$4,000,000 is hereby approved for purposes of Section 159C-4 of the Act.

Commissioner Barbara Beatty moved the passage of the foregoing resolution and no seconded was required on the motion, and the resolution was passed by the following vote:

Ayes: Commissioners Barnes, Lail, Hunsucker, Barger and Beatty.

Nays: None.

Not voting: N/A.

9. Appointments.

Chair Barnes recommended the reappointment of Gary Laws to a second term on the Catawba County Economic Development Corporation with a term expiration of June 30, 2009. Commissioner Barbara Beatty recommended the appointment of Lynn Jenkins for a first term on the Town of Maiden Planning Board. Ms. Jenkins will replace Barbara Brown on this Board and her term will expire June 30, 2012. Commissioner Beatty also recommended the reappointment of Mike Morris for a sixth term on the Town of Maiden Board of Adjustment. Mr. Morris' term will expire June 30, 2009.

These recommendations came in the form of a motion and the motion carried unanimously.

10. Departmental Reports:

A. Emergency Services:

Emergency Services Director David Weldon came forward to request the Board award a contract for architectural design of the expansion/renovation of the Catawba County Animal Shelter to Daggett & Grigg Architects of Charlottesville, Virginia, partnering with Mackie Johnson Architect of Conover; and approved a budget transfer of \$21,000 for the architectural and surveying services to be performed in the current fiscal year.

The current Animal Services facility is over 20 years old and designed to safely house 78 animals. Its current daily average census is 200 animals. Animal shelters are highly specialized buildings designed to support sheltered animals in the healthiest possible environment. Modern shelters are designed and built with more sanitation in mind than in shelters of the past. The focus of Animal Services is to assure the placement of every adoptable animal. To accomplish this objective, staff must have the ability to control disease and treat animals as needed, to assure they are healthy and suitable for adoption or returned to their owners. The current shelter was not designed to accommodate those needs. Sufficient space to hold animals also increases adoption rates. The time recommended nationally to hold an animal to assure maximum potential for adoption is 8 to 10 days. The County's current space allows the holding of adoptable animals for an average of 3 to 5

days. Space for staff, supplies and equipment is also inadequate. Because of overcrowding at the shelter, the State could possibly require an expansion.

At its meeting on April 6, 2009, the Board tabled a request for a feasibility study to determine whether to build a new shelter at another location or expand and renovate the existing shelter. The Board directed staff to determine if Daggett & Grigg would be willing to partner with a local architectural firm and reduce travel expenses as much as possible, but still benefit from Daggett & Grigg's expertise in shelter design. The Board directed that a feasibility study not be conducted, and asked staff to move forward with expansion and renovation of the existing facility. Daggett & Grigg will partner with Mackie Johnson Architect of Conover at no additional cost. Mackie Johnson, Architect was established in 1997 and is the architect for a current 1924 Courthouse roof replacement and for the recent St. Stephens Park renovations and an Education Building at Riverbend Park.

The County's Capital Improvement Plan for Fiscal Year 2013-2014 includes funding for new animal shelter space. Before shelter design can begin, research will be necessary to conduct a study to determine the size of shelter facility the County will need. The study will include evaluating census data for Catawba County, for citizens and animals, from two different sources: the US Census Bureau and the American Veterinary Medical Association's "U.S. Pet Ownership & Demographics Sourcebook." Daggett & Grigg/Mackie Johnson will also conduct a survey with Animal Shelter staff. They will compare the County's data with projections based on census and national averages of "animal relinquishment" to determine the optimum size of the shelter for the present and future. This matrix will predict the shelter size needs and a cost range based on size. It is recommended that the County build for at least ten years; preferably twenty years. The cost for this study will not exceed \$2500 and is included in the \$21,000 budget amendment requested.

The fee for design, specifications, bid recommendation and construction administration will be 6%. Reimbursable expenses for the project are estimated to be \$5,400. To save travel and printing costs, Daggett & Grigg will provide the County with access to a website that will enable County staff to take a schematic design 3D model from the website and converse with architects by phone while viewing the 3D model of the proposed building. Daggett & Grigg believes the County could achieve Leadership in Energy and Environmental Design (LEED) certification for this project. Toni Norton, Water Resources Engineer with the County's Utilities & Engineering Department, recently obtained LEED A.P. accreditation and will be involved in the project to gain working experience in LEED and help reduce some of the costs.

Board discussion after Mr. Weldon's request presentation included the increase in animals brought to animal control because of the downturn in the economy and the inability to afford them, the posting of all animals on the website for possible adoption, the importance of the spaying and neutering programs, and the inefficiencies and size of the existing shelter. It was stressed that the Board was acting only upon the design phase of the project at this time. Commissioner Beatty made a motion to award a contract for architectural design of the expansion/renovation of the Catawba County Animal Shelter to Daggett & Grigg Architects of Charlottesville, Virginia, partnering with Mackie Johnson Architect of Conover and approve a budget transfer of \$21,000 for the architectural and surveying services to be performed in the current fiscal year. The motion carried unanimously.

#### B. Utilities and Engineering:

1. Utilities and Engineering Director Barry Edwards came forward to present a request for the Board to approve an agreement between Catawba County and the Town of Brookford to provide inspection services within the boundaries of Brookford. The Brookford Town Council approved this agreement on April 27, 2009. The Town of Brookford managed its own inspection services until the retirement of its code enforcement official several months ago. The Town Administrator, Marshall Eckard, contacted the County to request inspection services. The Town is required by North Carolina General Statutes to provide its citizens with inspection services and is allowed to contract inspection service with another jurisdiction. The County has been providing inspection services for the other municipalities in the county since July 1, 2003.

The County will provide building code administration, including review of plans, accepting applications, issuing permits and making all necessary inspections in accordance with applicable North Carolina laws and regulations. Any other services including, but not limited to, zoning enforcement and Town ordinances shall be enforced by the Town. Catawba County will be providing inspection services throughout the county, including all municipalities. The County's inspection service fee schedule will apply county-wide. This collaborative effort is another example of the cooperation shown historically between Catawba County and its municipalities. Commissioner Barger made a motion to approve an agreement between Catawba County and the Town of Brookford to provide inspection services within the boundaries of Brookford. The motion carried unanimously.

2. Utilities and Engineering Director Barry Edwards presented a report regarding American Recovery and Reinvestment Act of 2009 (ARRA) grant funds that have been awarded to the County for the Blackburn-Plateau Water Loop. On February 16, 2009, the Board approved resolutions for ten water and sewer projects in preparation for potential submission to the North Carolina Department of Environment and Natural Resources for funding under ARRA. Funding applications were eventually submitted for five projects: the Blackburn-Plateau Water Loop; Southeastern Catawba County Water Supply Loop Phase III Pump Station and Storage Tank; Leeland Terrace Subdivision Water Service; Highway 150 Sewer Service and the Hickory-Catawba Wastewater Treatment Plant Upgrade and Expansion. Staff and its municipal partners and consultants felt these projects had the best chance to receive approval based on ARRA funding criteria and restraints.

This project consists of approximately 57,400 linear feet of water lines on Plateau Road, Grace Church Road, Hickory-Lincolnton Highway, Blackburn Bridge Road, Startown Road, Elbow Road, and West Maiden Road. It will provide municipal water to the new Propst Crossroads Fire Station, enhanced fire protection in the Propst fire district, municipal water and fire protection to proposed economic development projects and a proposed multi-jurisdictional business park, and a secondary water supply loop to the Town of Maiden and the Southeast Catawba County Water Supply system.

Staff was notified on May 7, 2009, that the County was the recipient of a \$3 million award for the Blackburn-Plateau Water Loop, with \$1.5 million in the form of a principal forgiveness loan that does not have to be repaid, and \$1.5 million in the form of a zero percent interest loan with a 20-year term and payments estimated at \$75,000 annually. There is a one-time processing fee of 2% of the loan amount, which equates to \$60,000 to be appropriated from the fund balance of the Water and Sewer Construction Fund. Staff is working with the appropriate State offices to secure final confirmation of the funding. The estimated cost for the Blackburn-Plateau Water Loop project is \$3,642,580. Staff anticipates that appropriations and grant acceptance will be made by the Board at the time of a bid award for the construction of the project, unless ARRA guidelines dictate otherwise. Staff is prepared to bid this project immediately.

This item was for information only and no Board action was required.

11. Other Items of Business: None.

12. Attorneys' Report: None.

13. Manager's Report:

1. County Manager J Thomas Lundy requested the Board consider rescheduling the County's budget hearings and adoption, since many questions remains unanswered regarding the State budget. The original schedule of budget hearings did not allow staff time to incorporate necessary adjustments to the County budget based on the State budget which will not be finalized, or near finalized, by the original hearing and adoption dates. The proposed new schedule sets budget hearings with departments on Monday, June 15, 2009 from 8:00 a.m. to 5:00 p.m., with the budget public hearing and wrap-up to be held at the Board's regularly scheduled meeting of June 15, 2009 at 7:00 p.m. and budget adoption on Wednesday, June 17, 2009 at 9:00 a.m. at a specially called Board of Commissioners meeting. The budget hearings with departments and the budget adoption would take place in the Second Floor Meeting Room of the Government Center since the Robert E. Hibbitts Meeting Room of the 1924 Courthouse will be occupied at those times. Vice-Chair Lail

made a motion to reschedule the County's budget hearings and adoption. The motion carried unanimously.

2. County Manager Lundy requested the Board consider cancelling its subcommittee meetings scheduled for Tuesday, May 26, 2009 at 8:00 a.m. and its regularly scheduled Board meeting on Monday, June 1, 2009 at 9:30 a.m., due to the absence of items requiring Board approval during that time period. Commissioner Hunsucker made a motion to cancel these subcommittee meetings and the regularly scheduled Board of Commissioners Meeting for June 1, 2009.

14. Adjournment: Commissioner Hunsucker made a motion to adjourn at 8:00 p.m. The motion carried unanimously.

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Katherine W. Barnes, Chair  
Board of Commissioners

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Barbara E. Morris, County Clerk